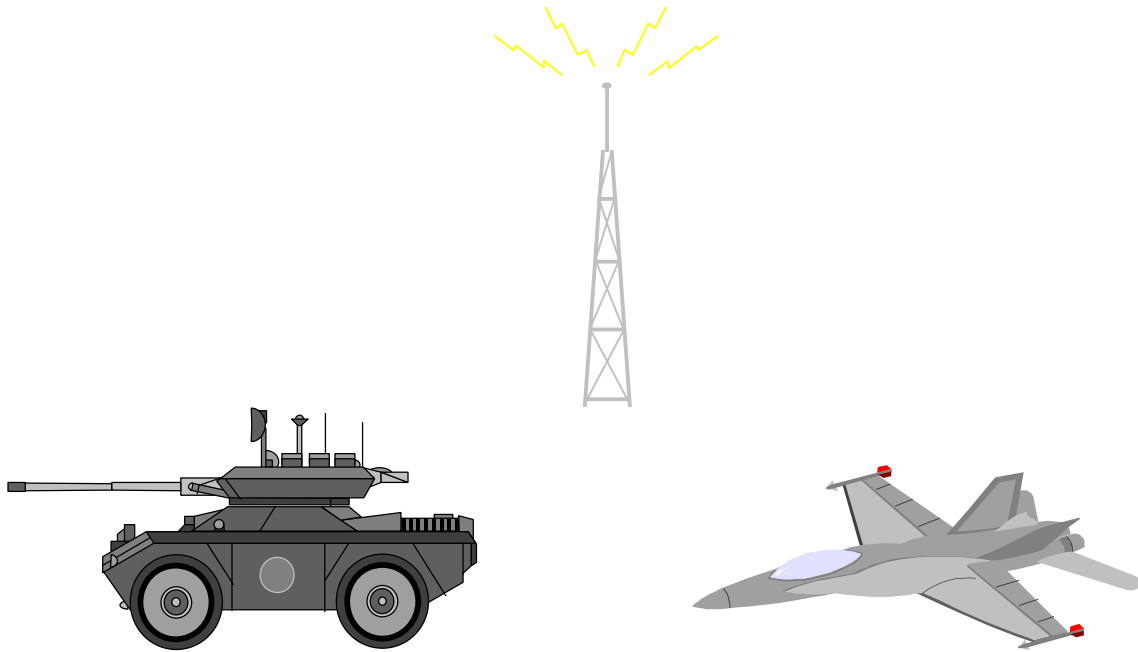


**NEW JERSEY DEPARTMENT  
OF  
MILITARY AND VETERANS' AFFAIRS**

**USPFO-NJ  
INTERNAL REVIEW DIVISION**



**INTERNAL REVIEW PROGRAM  
FISCAL YEAR 2000**

**USPFO-NJ**  
**INTERNAL REVIEW DIVISION**

**AUDIT PROGRAM**  
**FISCAL YEAR 2000**

**PREPARED BY**

**APPROVED BY**

**//SIGNED//**

**DENISE K. McCLEARY**  
Supervisory Auditor  
Internal Review Division

**//SIGNED//**

**JAMES W. LOVAS**  
Colonel, NGB  
USPFO for New Jersey

**APPROVED BY**

**//SIGNED//**

**PAUL J. GLAZAR**  
Major General, NJARNG  
The Adjutant General

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## **MISSION STATEMENT**

The Internal Review and Audit Compliance Division provides a full spectrum of professional internal audit services to the Adjutant General, the United States Property and Fiscal Officer, Commanders, staffs and operating elements of the New Jersey Army and Air National Guard. The Internal Review Division conducts reviews of nonappropriated fund (NAFI's) when requested, with some accounts being accomplished quarterly and semi-annually.

Additional information regarding Internal Review is contained in NJARNG Regulation 11-7/NJANG Regulation 175-01, dated 6 November 1996, titled Internal Review.

## **REQUESTING AUDIT SERVICES**

New Jersey National Guard Managers and Commanders may request audit services at any time during the year. Each request will be given careful consideration, and if approved, will be scheduled as soon as practically possible. To obtain information on the type services which may be provided, or any other questions regarding the Internal Review Division, contact Denise McCleary at (609) 530-6764 or DSN 445-9764.

Requests may be submitted to this office on USPFO-NJ Form 2-14, Request for Audit Services. (A copy of this form can be found on Page 10 of this document and soon to be added to our web site @([www.state.nj.us/military/uspfo/ir.htm](http://www.state.nj.us/military/uspfo/ir.htm)))

## AUDIT SCHEDULE FY 2000

AUDIT TITLE		QUARTER			
		1st	2nd	3rd	4th
Cooperative Funding Agreement-ARNG (FS)		X	X		
Report of Survey Program (FU)		X			
Recycle Program (LS)		X			
DPCS-HRO/ AGR Consolidation (C)		X	X		
Dual Comp/ Tech Pay-108 <sup>th</sup> ARW (FS)			X		
IMPAC 108 <sup>th</sup> ARW (FS)			X		
Report of Survey 108 <sup>th</sup> ARW (FS)			X		
Accident Reporting Procedures ARNG (FU)			X		
Cooperative Funding Agreement 177 <sup>th</sup> FW (FS)				X	X
Life Support Equipment 108 <sup>th</sup> ARW (FS)				X	
Velocity Management-ARNG (LS)				X	
Environmental Protection 108 <sup>th</sup> ARW (FS)					X
Funds Control Management-ARNG (FS)				X	X

## UNPROGRAMMED AUDITS FOR 2000

1. Cellular Telephone Management-ARNG
2. Cooperative Funding Agreements-ANG-108<sup>th</sup> ARW
3. Depot Level Repairable (DLR) Program - ARNG
4. Material Returns (MRP) Program - ARNG
5. Family Support Programs-ARNG

## FY 00 AUDIT PURPOSE, SCOPE, AND OBJECTIVES

### AUDIT TITLE

**Cooperative Funding Agreements-ARNG** This audit was requested by the USPFO and is reviewed periodically to ensure that Federal Government resources are being used and accounted for correctly, and that personnel assigned and funded by the Agreements are being utilized for Federal Agreement tasks unequivocally.

**Report of Survey Program-ARNG** This audit will focus on those corrective actions initiated by DOL to improve deficiencies noted in previous audit IR#3-95, dated 13 March 1996. Auditors will ensure that all corrective actions have been taken and will conduct a small test to verify the process.

**Recycle Program** This review will focus on the recycle program within the ARNG, to ensure controls are established and in place, and verify that funds received or benefits derived from the recycling effort are placed in the proper accounts and utilized within regulatory guidelines.

**DPCS-HRO AGR Consolidation** This Consulting service was requested by the CAO. The service will focus on determining if it is practical to combine AGR sections currently in the HRO and the Enlisted Personnel together into one section, while still maintaining a workable and efficient operation.

**Dual Compensation/Technician Pay-ANG-108<sup>th</sup> ARW** This audit will concentrate on determining if corrective actions were taken on those deficiencies identified in the AFAA's audit report FY98.

**IMPAC-ANG-108<sup>th</sup> ARW** This audit will focus on the adequacy and effectiveness of policies, systems, procedures, and management controls used in monitoring the IMPAC Credit Card Program. Review will include Unit level procedures, authorization, documentation, and accountability (If Applicable) of purchases made, and timeliness of documentation to Finance for payment.

**Report of Surveys-ANG-108<sup>th</sup> ARW** This audit was requested by 108ARW/LG and the USPFO. The audit will focus on the adequacy and effectiveness of policies, procedures, and management controls used in monitoring of report of surveys for the Air National Guard. Review will cover losses of equipment and reasons for relieving individuals of liability.

**Accident Reporting Procedures-ARNG** This audit will concentrate on those problem areas addressed in an audit conducted in FY93. This review will consist of a physical review of Command's and AO's policies and procedures followed when a vehicle accident is reported to them, the timeliness of reporting, and what, if any, corrective action has taken place.

**Cooperative Funding Agreements-ANG-177<sup>th</sup> FW** This audit was requested by the USPFO. The agreements are reviewed periodically to ensure that Federal Government resources are being used and accounted for correctly. They are also reviewed to verify that personnel assigned and funded by the Agreements are being utilized for Federal Agreement tasks unequivocally.

**Life Support Equipment-108<sup>th</sup> ARW** The audit will determine if required Life Support Equipment is properly ordered, maintained, accounted for, and is readily available for mobilization purposes. We will review current mobilization requirements and equipment on hand.

**Velocity Management-ARNG** The audit was requested by the USPFO. The focus of the review will be to determine if the program is functioning at its full potential, and if any changes need to be made to correct the accuracy and timeliness of the processes.

**Environmental Protection-ANG-108<sup>th</sup> ARW** This audit will determine the adequacy and effectiveness of policies, procedures, and management controls used in monitoring Environmental Compliance. Review will include verification of procedures and plans in place, prevention, detection, and controlling an environmental hazards. Last audit issued 1994.

**Funds Control Management-ARNG** The review will determine the adequacy and effectiveness of policies, procedures, and management controls used in monitoring funds reservations, obligations, and unliquidated obligations by program managers.

# **AUDIT SERVICES PROVIDED** **DURING FY99**

## **AUDIT TITLE**

**International Merchant Authorization Card (IMPAC) 177<sup>th</sup> FW, report dtd 11 March 99, IR# 98-4**

SUMMARY: This audit was requested by the USPFO to ensure that the program had proper management controls over the authorization and use of the supplies, services, and materials procured with the IMPAC card. We found that their overall program management was good, however evaluations and surveillance visits needed to be accomplished, training on authorized purchases needed to be reinforced, and date time stamping of documents was not consistently applied by all approving officials.

**Maintenance Training Records 108<sup>th</sup> ARW, report dtd 15 July 99, IR #98-8**

SUMMARY: This audit was prompted by an AFAA audit they conducted on ANG bases, and their lack of proper documentation on Maintenance records. It was requested that our office conduct an audit of New Jersey's ANG training records. We found that improvement is needed in the area of maintenance of training records. We found that OJT records for new unit members were not annotated to document trainee's progress and training.

**GBL Accountable Forms-ARNG (USPFO-SSD-T) report dtd, 21 Jan 99**

SUMMARY: This review is a semi-annual requirement. There were no discrepancies found and GBL's were accounted for IAW regulatory requirements.

**Family Assistance Checking Accounts, Youth Camp Accounts, report dtd 8 July 99**

SUMMARY: A review of these non-appropriated fund accounts was conducted for the period of 1 Jan 98 to 31 Dec 98 for accuracy. No discrepancies were noted.



**AUDIT SERVICES PROVIDED**  
**DURING FY99**  
**(Continued)**

**AUDIT LIASION/SERVICES PROVIDED**

QRA – Dual Compensation- 177<sup>th</sup> FW

CLRTX Follow-up of SSD

Air National Guard Annual Assurance Statement Coordination

Management Controls Review-ANG

AFAA Audit Outbrief-108thARW

DOD-IG – Y2K

Drug Testing Procedures

Under Ground Storage Tanks

**AUDITS IN PROGRESS**

IMPAC-ARNG

Maintenance Trng Program-ANG-177thFW

OIP/CIP Program-ARNG (Being Accomplished M-Day Only)

Fuel Accountability (Being Accomplished M-Day Only)

# INTERNAL REVIEW DIVISION

## Request for Audit Services

<b>1. FROM:</b>	<b>2. DATE:</b>
<b>3. THROUGH:</b>	<b>4. TO: NJ-USPFO-IR</b>
<b>5. ACTIVITY TO BE REVIEWED:</b>	
<b>6. Specific Activity/Program to be Reviewed:</b>	
<b>7. RATIONALE:</b> (In order for us to conduct or consider what priority to place on this request, include as much information as possible on the complexity of the problem).	
<b>8. GOVERNING DIRECTIVES</b>	
<b>9. POC/PHONE:</b> _____	
<b>10. TIME PERIODS TO AVOID WHEN PLANNING THE AUDIT:</b>	
<b>SENSITIVITY RISK ANALYSIS</b>	
Conduct a risk assessment of the activity requested for review by assigning the appropriate value to the items listed below. <b>0-5=Low &amp; 5-10=Med to High</b>	
MISSION CRITICAL/MORALE IMPACT _____	
DOLLAR VALUE INVOLVED _____	
POTENTIAL FOR FRAUD, WASTE, OR ABUSE _____	
PAST PROBLEM EXPERIENCE _____	
POTENTIAL EMBARRASSMENT/ADVERSE PUBLICITY _____	
<b>RISK TOTALS:</b> _____	
<b>REQUESTER:</b> (Print) Name, Rank, and Title	
<b>SIGNATURE:</b>	

USPFO-NJ Form 2-14 (15 Oct 98)